UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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AMERICAN NATIONAL MANUFACTURING INC.,
Petitioner,

v.

SLEEP NUMBER CORPORATION
f/k/a SELECT COMFORT CORPORATION,
Patent Owner.

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Case No. IPR2019-00514
Patent No. 5,904,172

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PATENT OWNER'S OPPOSITION TO
PETITIONER'S MOTION FOR ADDITIONAL DISCOVERY

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Introduction

Patent Owner ("PO") opposes Petitioner's ("ANM") belated Motion for Additional Discovery ("Motion") because ANM's discovery requests seek expansive, overbroad, and burdensome marketing and advertising financial information not relevant to any arguments pending before the Board.

Factual Background

Following PO's motion for additional discovery, the Board previously ordered ANM to produce a certain subset of data related to ANM's financials. (Paper 35.) PO's economics expert analyzed and opined on that ANM data, which PO cited in the secondary considerations argument of its Patent Owner Response ("POR"). (*See* Paper 47 ("POR") at 65–67; Ex. 2055.) Other PO experts analyzed PO's products for purposes of a copying opinion, but not for any opinion as to PO's financials or to the success of PO's products as ANM contends. (*See* POR at 60–64; Exs. 2041, 2054.) No PO expert opined on PO's financials or product success, nor did PO rely on such evidence in its POR. (*See* POR & accompanying Exs.)

I. ANM's Discovery Requests Do Not Satisfy the *Garmin* Factors.

The Board may order additional discovery if it "is in the interests of justice," which involves considering the five *Garmin* factors discussed below. *See* 35 U.S.C. § 316(a)(5); 37 C.F.R. § 42.51(b)(2); *Garmin Int'l, Inc. v. Cuozzo Speed Techs. LLC*, IPR2012-00001, Paper 26 at 6–7 (P.T.A.B. Mar. 5, 2013). ANM's requests fail to

satisfy these factors because they are overbroad, burdensome, not sufficiently limited in scope, seeking data available elsewhere, and irrelevant.

A. The Requests Do Not Have Any Possibility of Usefulness.

There is no evidence tending to show beyond speculation that something useful will be uncovered by ANM's requests. *See Garmin*, IPR2012-00001, Paper 26 at 6–8.[1] In satisfying its initial burden on secondary considerations, PO relied upon evidence of (1) ANM's commercial success, (2) industry praise, and (3) copying and industry adoption. (POR at 58–67.) The requested data relating to PO's financials could only be relevant (if at all) to rebut an argument relying on PO's marketing and sales, which was not made. Therefore, the requested data cannot rebut PO's arguments and is not relevant.

Attempting to circumvent this, ANM essentially lumps all secondary consideration factors together, arguing that the success of PO and its products (or lack thereof) could refute PO's arguments related to ANM's success or to copying of PO's products. This is nonsensical. PO's marketing efforts are irrelevant to ANM's sales or commercial success. *See Pfizer Inc. v. Ivax Pharm., Inc.*, No. CIV.A.07CV00174(DMC), 2009 WL 2905454, at *6 (D.N.J. Sept. 9, 2009)

[1] For two of its requests, ANM admits they only "may show" certain information, which is insufficient under this factor. (Ex. 2093 at Reason for Interrog. 8, 9.)

(marketing of one product cannot impact commercial success analysis of different product).[2] Moreover, even ANM's cited cases demonstrate that evidence rebutting each factor must actually relate to that factor. *See Seadrill Ams., Inc. v. Transocean Offshore Deepwater Drilling, Inc.*, IPR2015-01929, Paper 103 at 46–64 (P.T.A.B. May 18, 2017) (analysis involves "placing the evidence offered" into different "buckets – commercial success, praise, copying, etc." but recognizing that certain evidence may relate to more than one bucket, *e.g.* to either "praise" or "copying"); *WBIP, LLC v. Kohler Co.*, 829 F.3d 1317, 1329–37 (Fed. Cir. 2016) (evaluating evidence related to each factor separately).

Simply put, ANM seeks evidence it cannot use to rebut PO's secondary considerations arguments, which relate to ANM's commercial success, not PO's. ANM's requests should thus be denied. *See Prong, Inc. v. Yeoshua Sorias*, IPR2015-01317, Paper 22 at 4–6 (P.T.A.B. Mar. 10, 2016) (denying motion for additional discovery because party had "not provided a threshold amount of reasoning or

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[2] Additionally, ANM's reliance on PO's recent marketing efforts rather than those at the time the patented technology was introduced (*i.e.* 1998 and 2008) supports a finding that requests for 25 years of marketing data is pure speculation. (*Compare* Motion at 2–4 (relying on a 2019 10-K, website, and marketing deal) *with* Ex. 2094 (containing public links to PO's 10-Ks dating back to the late 1990s).)

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